



# **BUSINESS ECONOMIC PROFILE FOR SUNNYVALE SANTA CLARA COUNTY, CALIFORNIA**

**MAY 2006**

Sunnyvale's history is based largely on its economy. When Martin Murphy, Sr. arrived in Sunnyvale in 1845, its vast open space and fertile soil were seen as assets to farming, particularly fruit orchards. With the arrival of the railroad in 1864, the industrial base of the community was able to expand. Canneries to process the fruit from surrounding orchards were built near the rail lines. In 1906, Hendy Iron Works relocated from San Francisco to Sunnyvale, thus diversifying the industrial base.

Sunnyvale was incorporated as a city in 1912, with a population of approximately 1,800. By 1940, the population had grown to about 4,400. During World War II, Sunnyvale supplied food and equipment to the troops; the Hendy Iron Works was taken over by Westinghouse to support the war effort. After the war, defense-related industries arrived, capitalizing on the pleasant climate and the Naval Air Station. Lockheed became the city's largest employer. By 1950 the population had grown to 9,900. The 1950s and 1960s were the biggest periods of growth for the community, resulting in a 1960 population of 52,900 and a 1970 population of 96,000.

The defense era gave way to the high-tech era when the microprocessor was introduced in 1971. The population in 1980 and 1990 was 106,700 and 117,200, respectively. The next and most recent era was related to the internet, with technology companies in Sunnyvale undertaking research and development for this newest industry. The world is now primed for the next great wave of innovation—nanotechnology---and Silicon Valley is well positioned to lead the world in the realms of research and commercialization of this enabling technology.

## **COMMUNITY**

The story has it that Sunnyvale got its name from a local builder looking out over yet another sunny day, shading his eyes, and saying, "Let's call it Sunnyvale." Sunnyvale boasts a very mild climate, with temperatures varying from an average of 53 degrees in January to an average of 70 degrees in July. The rainfall of the winter months usually amounts to around 15 inches. This gorgeous climate naturally leads to an ideal environment for many outdoor activities such as golf and tennis. Sunnyvale is home to two golf courses, 18 neighborhood parks and 123 tennis courses, 68 of which are at our very own world class Municipal Center. Within close proximity are beautiful beaches, spectacular state and national parks, as well as San Francisco and San Jose. Sunnyvale has a solid economic base, and the business revenue generated each year gives us a superb quality of life. The mean household income for a Sunnyvale resident is \$74,500. Poverty levels in Sunnyvale have remained consistently lower than those of Santa Clara County or the state. The City offers affordable housing programs and first-time homebuyer programs. Please contact our Housing Division at [housing@ci.sunnyvale.ca.us](mailto:housing@ci.sunnyvale.ca.us) or 408.730.7250 if you would like information on different housing programs.

| <b>HOUSING CHARACTERISTICS</b>              |           |
|---|-----------|
| Average Household Size                      | 2.47      |
| Average Housing Price (single family homes) | \$750,000 |
| Average Rental Price (two bedrooms)         | \$1,341   |

| <b>ECONOMIC BASE</b>               |          |
|------------------------------------|----------|
| Total City Revenue (in millions)   | 216.4    |
| Issuer Credit Rating               | AA+      |
| Sales Tax Collected (in thousands) | \$24,917 |

## **BUSINESS AND ECONOMICS**

Sunnyvale, with its Silicon Valley location, has a solid high-tech presence. Transitioning from agricultural to defense to the current high tech economy, Sunnyvale has remained on the cutting edge of Silicon Valley innovation. Despite the effects of the “dot com bust” of 2001, industry in Sunnyvale has remained strong. The top industries in the City include information (25 percent), retail trade (13.5 percent), and construction (18 percent).

| <b>BUSINESS</b>   |          |
|---|----------|
| Total Number of Businesses  | 8,805    |
| Employment Generated by Sunnyvale Businesses (inside City limits)   | 74,487   |
| Total Number of Jobs in the City (includes schools, military, etc.) | 118,500  |
| Business Tax – Minimum*   | \$20.00  |
| Business Tax – Maximum*   | \$650.00 |

\* All business licenses are subject to a \$54.00 processing fee.

| <b>EMPLOYMENT<br/>BY INDUSTRY</b> | <b>PERCENTAGE</b> | <b>EMPLOYMENT BY<br/>INDUSTRY</b> | <b>PERCENTAGE</b> |
|-----------------------------------|-------------------|-----------------------------------|-------------------|
| Information Services              | 25                | Services                          | .09               |
| Retail Trade                      | 13.5              | Recreation/Hospitality            | .08               |
| Wholesale Trade                   | .09               | Public Administration             | .005              |
| Manufacturing                     | .10               | Misc./Undefined                   | 43.13             |
| Construction                      | 18                |                                   |                   |

| <b>LABOR MARKET</b>      |                  |                           |
|--------------------------|------------------|---------------------------|
|                          | <b>Sunnyvale</b> | <b>Santa Clara County</b> |
| <b>Labor Force</b>       |                  |                           |
| March 2006               | 69,900           | 817,300                   |
| March 2005               | 69,900           | 818,800                   |
| April 2004               | 73,830           | 867,300                   |
| 2003 Average             | 75,940           | 895,100                   |
| 2002 Average             | 80,020           | 943,600                   |
| <b>Employment</b>        |                  |                           |
| March 2006               | 66,900           | 776,100                   |
| March 2005               | 66,600           | 772,600                   |
| April 2004               | 69,920           | 812,500                   |
| 2003 Average             | 70,610           | 821,600                   |
| 2002 Average             | 74,230           | 863,800                   |
| <b>Unemployment</b>      |                  |                           |
| March 2006               | 3,000            | 41,200                    |
| March 2005               | 3,300            | 46,200                    |
| April 2004               | 3,910            | 54,700                    |
| 2003 Average             | 5,330            | 73,500                    |
| 2002 Average             | 5,790            | 79,800                    |
| <b>Unemployment Rate</b> |                  |                           |
| March 2006               | 4.3%             | 5.0%                      |
| March 2005               | 4.8%             | 5.6%                      |
| April 2004               | 5.3%             | 6.3%                      |
| 2003 Average             | 7.0%             | 8.2%                      |
| 2002 Average             | 7.2%             | 8.5%                      |

| <b>RENTAL LOCATIONS/<br/>TYPES</b> | <b>HISTORICAL ASKING<br/>RATES (\$/SF/MONTH)</b> | <b>HISTORICAL<br/>VACANCY RATES (%)</b> |
|------------------------------------|--|---|
| R&D                                | \$0.91   | 16.6%                                   |
| Industrial                         | \$0.62   | 7.9%                                    |
| Warehouse                          | \$0.43   | 1.7%                                    |
| Office                             | \$1.74   | 17.0%                                   |

\*Rental rates and vacancy information updated May 2006. Information collected by Cornish & Carey – [www.ccarey.com](http://www.ccarey.com). Please contact Economic Development via e-mail at [econdev@ci.sunnyvale.ca.us](mailto:econdev@ci.sunnyvale.ca.us) or (408) 730-7607 for updated information

## PEOPLE

Sunnyvale is a diverse community, with a highly educated population. The population in Sunnyvale is 133,086 and 1,648,486 in Santa Clara County. Leading research facilities and national labs in and near the city attract residents from around the world. These prestigious institutions include Stanford University, UC Berkeley, NASA Ames Research Center, Onizuka Air Force Base & Satellite tracking facility, Santa Clara University, and San Jose State University.

| HOUSEHOLD                        |         |
|----------------------------------|---------|
| Population                       | 133,086 |
| Single Parent Household (Female) | 4,234   |

| RACE AND ETHNICITY<br>2003 Census Update (County) |                 |                    |
|---|-----------------|--------------------|
|   | Sunnyvale       | Santa Clara County |
| <b>Race</b>                                       |                 |                    |
| White   | 61,386<br>(46%) | 941,130<br>(57%)   |
| Black/African American                            | 2,773 (2%)      | 37,185 (2%)        |
| Asian   | 43,373<br>(33%) | 469,536<br>(29%)   |
| Other Race  | 5,238 (4%)      | 200,635<br>(12%)   |
| <b>Ethnicity</b>                                  |                 |                    |
| Hispanic/Latino (of any race)                     | 20,316<br>(15%) | N/A                |

| SOCIAL CHARACTERISTICS<br>2000 Census Data |           |                    |
|--|-----------|--------------------|
|  | Sunnyvale | Santa Clara County |
| <b>Foreign Born Population</b>             | 51,990    | 598,683            |
| Naturalized Citizen                        | 17,067    | 278,530            |
| Not a Citizen                              | 34,923    | 320,153            |

| LANGUAGE SPOKEN IN HOUSEHOLD<br>2000 Census Data |        |
|--|--------|
| Number of Households                             | 52,610 |
| English  | 28,946 |
| Spanish  | 4,863  |
| Other Indo-European language                     | 6,359  |
| Asian/Pacific Islander language                  | 11,618 |
| Other language                                   | 824    |

| <b>EDUCATIONAL ATTAINMENT (FOR POPULATION 25 YEARS AND OLDER)<br/>2003 Updated Census Data (County)</b> |                  |                           |
|---|------------------|---------------------------|
|   | <b>Sunnyvale</b> | <b>Santa Clara County</b> |
| Population 25 years and older   | 96,235           | 1,108,937                 |
| Less than 9 <sup>th</sup> Grade   | 1,239            | 74,827                    |
| Less than High School Diploma   | 8,951            | 68,867                    |
| High School Graduate  | 12,873           | 192,806                   |
| Some College  | 17,063           | 194,929                   |
| Associate Degree  | 7,244            | 88,880                    |
| Bachelor Degree   | 27,745           | 287,010                   |
| Graduate or Professional Degree   | 21,120           | 201,618                   |
| % High School Graduate or higher  | 89.4%            | 87.0%                     |
| % Bachelor Degree or higher   | 50.7%            | 44.1%                     |
| % Graduate/Professional Degree  | 21.9%            | 18.2%                     |

\* Data was obtained by calculating percentages of County estimate

| <b>DISABLED POPULATION<br/>2000 Census Data</b> |                  |                           |
|---|------------------|---------------------------|
|   | <b>Sunnyvale</b> | <b>Santa Clara County</b> |
| Total Population 21 – 64 years                  | 87,740           | 1,020,373                 |
| With a disability (of total population)         | 11,090           | 107,166                   |
| % Employed (of disabled)                        | 66.2%            | 49.3%                     |

Prepared by the  
**CITY OF SUNNYVALE**  
[www.sunnyvale.ca.gov](http://www.sunnyvale.ca.gov)

The information contained in this profile was obtained from a variety of sources including the 2000 Census, the 2002 American Community Survey, the California Employment Development Department, and the City of Sunnyvale. For more detailed information about sources, please contact:

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